

**Effective 5/12/2015**

**59-10-1017 Utah Educational Savings Plan tax credit.**

- (1) As used in this section:
- (a) "Account owner" means the same as that term is defined in Section 53B-8a-102.
  - (b) "Grantor trust" means the same as that term is defined in Section 53B-8a-102.
  - (c) "Higher education costs" means the same as that term is defined in Section 53B-8a-102.
  - (d) "Maximum amount of a qualified investment for the taxable year" means, for a taxable year, the product of 5% and:
    - (i) subject to Subsection (1)(d)(iii), for a claimant, estate, or trust that is an account owner, if that claimant, estate, or trust is other than husband and wife account owners who file a single return jointly, the maximum amount of a qualified investment:
      - (A) listed in Subsection 53B-8a-106(1)(e)(ii); and
      - (B) increased or kept for that taxable year in accordance with Subsections 53B-8a-106(1)(f) and (g);
    - (ii) subject to Subsection (1)(d)(iii), for claimants who are husband and wife account owners who file a single return jointly, the maximum amount of a qualified investment:
      - (A) listed in Subsection 53B-8a-106(1)(e)(iii); and
      - (B) increased or kept for that taxable year in accordance with Subsections 53B-8a-106(1)(f) and (g); or
    - (iii) for a grantor trust:
      - (A) if the owner of the grantor trust has a single filing status or head of household filing status as defined in Section 59-10-1018, the amount described in Subsection (1)(d)(i); or
      - (B) if the owner of the grantor trust has a joint filing status as defined in Section 59-10-1018, the amount described in Subsection (1)(d)(ii).
  - (e) "Owner of the grantor trust" means the same as that term is defined in Section 53B-8a-102.
  - (f) "Qualified investment" means the same as that term is defined in Section 53B-8a-102.
- (2) Except as provided in Section 59-10-1002.2 and subject to the other provisions of this section, a claimant, estate, or trust that is an account owner may claim a nonrefundable tax credit equal to the product of:
- (a) the amount of a qualified investment made:
    - (i) during the taxable year; and
    - (ii) into an account owned by the claimant, estate, or trust; and
  - (b) 5%.
- (3) A claimant, estate, or trust, or a person other than the claimant, estate, or trust, may make a qualified investment described in Subsection (2).
- (4) A tax credit under this section may not be claimed with respect to any portion of a qualified investment described in Subsection (2) that a claimant, estate, trust, or person described in Subsection (3) deducts on a federal income tax return.
- (5) A tax credit under this section may not exceed the maximum amount of a qualified investment for the taxable year.
- (6) A tax credit under this section may not be carried forward or carried back.

Amended by Chapter 94, 2015 General Session